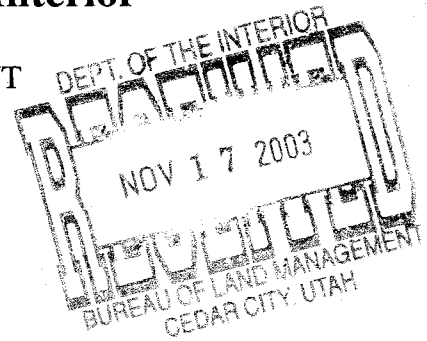




United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
www.ut.blm.gov



IN REPLY REFER TO:
UTU-80508
(UT-924)

NOV 10 2003

Zions First National Bank
Headquarters Office
P.O. Box 30709
Salt Lake City, Utah 84130-0709

To Whom It May Concern:

On January 11, 1995, the State of Utah School and Institutional Trust Lands Administration accepted a certificate of deposit, CD number 326880, in the amount of \$5,000. The CD is from Neil Bradshaw, dba Bradshaw Pumice and Perlite and is currently in Zions First National Bank account number 002-938064-09. The CD serves as a bond for state mineral leases ML 40197, ML 40198, and ML 41353.

All the leases were cancelled in 1996 for failure to pay annual rental. At the time of cancellation of the above leases, un-reclaimed mine related surface disturbances remained on the lands covered by the cancelled leases.

Pursuant to the West Desert Land Exchange Act of 2000, Public Law No. 106-301, the lands were transferred to the United States of America and are now managed by the Department of the Interior, Bureau of Land Management (BLM). The certificate of deposit was authorized transferred to the jurisdiction of the BLM by letter of July 25, 2002.

By memorandum of November 5, 2003, our Cedar City Field Office confirmed that the operator satisfactorily performed reclamation on the bonded lands. Therefore, we direct Zions Bank to release CD 326880, deposited in Zions First National Bank account number 002-938064-09, to Mr. Neil Bradshaw.

Sincerely,

/s/ Robert Lopez

Robert Lopez
Chief, Branch of
Minerals Adjudication

RECEIVED

MAY 14 2004

DIV. OF OIL, GAS & MINING

0003

Enclosures:

1. SITLA Letter of July 25, 2002 (2 pp)
2. Letter to Neil Bradshaw (2 pp)
3. Cedar City Memo of November 5, 2003 (1 p)

cc: Cedar City Field Office (Attn: Craig Zufelt)
SITLA (Attn: Will Stokes)
Mr. Neil Bradshaw, P.O. Box 87, Milford, Utah 84751



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Cedar City Field Office

176 East DL Sargent Drive
Cedar City, UT 84720
Telephone (435) 586-2401
FAX (435) 865-3058

In Reply Refer To:

UT-042

3800: UTU-80508

November 5, 2003

Memorandum

To: Robert Lopez
Chief, Minerals Adjudication Branch

From: Craig Zufelt
Acting Associate Field Office Manager

Subject: Release of Reclamation Bond for UTU-80508

This memorandum is in regard to certificate of deposit 326880 in the amount of \$5,000.00, deposited in Zions First National Bank account number 002-938064-09. The certificate was originally deposited, listing School and Institutional Trust Lands Administration (SITLA) as beneficiary, to secure reclamation of exploration and mining disturbances on SITLA lands encompassing Lot 1 of section 2, T. 28 S., R. 9 W., Beaver County, Utah. As explained in letter dated July 25, 2002 (copy attached) from SITLA to Zions Bank, BLM became the beneficiary of the certificate as a result of the West Desert Land Exchange Act of 2000 (Public Law 106-301, January 24, 2001), which transferred the aforementioned lands to BLM.

Through certified letter dated September 3, 2003 (copy attached), this office directed the operator that had posted the certificate to perform reclamation to avoid forfeiture of the certificate. The operator satisfactorily performed the directed reclamation verified by site inspection made on 11/03/2003. I am recommending that your office contact Zions Bank and notify them that the certificate can be released in full to the account holder (operator) immediately.

Craig Zufelt
Acting Associate Field Office Manager

File Copy

Attachments: Letter dated 7/25/2002, from SITLA to Zions Bank
Certified Letter dated 9/3/2003, from BLM to Neil Bradshaw

cc: Mr. Neil Bradshaw, P.O. Box 87, Milford, Utah 84751



State of Utah

School and Institutional
TRUST LANDS ADMINISTRATION

Michael O. Leavitt
Governor

Stephen G. Boyden
Director

675 East 500 South, Suite 500
Salt Lake City, Utah 84102-2818
801-538-5100
801-355-0922 (Fax)
<http://www.trustlands.com>

July 25, 2002

Zions First National Bank
Headquarters Office
P.O. Box 30709
Salt Lake City, Utah 84130-0709

Re: Release and Transfer of Certificate of Deposit, C.D. # 326880

Gentlemen:

On January 11, 1995, the School and Institutional Trust Lands Administration ("TLA") accepted a certificate of deposit, C.D. number 326880, in the amount of \$5,000.00, Zions First National Bank account number 002-938064-9, from Neil Bradshaw, d.b.a. Bradshaw Pumice and Perlite, in lieu of a surety bond to cover mining exploration and development on Volcanic Materials lease ML 40197, ML 40198, and ML 41353. The lands encompassed by the referenced leases are as follows:

Lot 1, Section 2, T.28 S., R.9W., SLB&M	50.32 Acres
W $\frac{1}{2}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ NW $\frac{1}{4}$, Section 36, T.27S., R.9W, SLB&M	160.00 Acres

Volcanic Material leases ML 40197 and ML 40198 were cancelled on October 4, 1996, for failure to pay annual rentals and ML 41353 was also cancelled on May 8, 1996, for failure to pay annual rentals. At the time of cancellation un-reclaimed mine related surface disturbances remained on the leased lands. The cancellation of the mineral leases does not relieve the lessee from reclamation responsibilities.

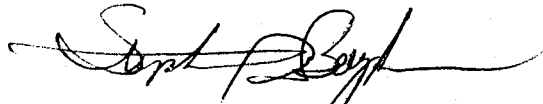
Pursuant to the West Desert Land Exchange Act of 2000, Public Law No. 106-301, the referenced lands were transferred to the United States of America and are now managed under the jurisdiction of the Department of the Interior, Bureau of Land Management.

Zions First National Bank

Page 2

As the TLA no longer has jurisdiction over the referenced lands for which the certificate of deposit is being held, I hereby authorize the release and transfer of the certificate of deposit to Bureau of Land Management as the beneficiary of the certificate of deposit.

Sincerely

A handwritten signature in black ink, appearing to read "Stephen G. Boyden", with a long horizontal flourish extending to the right.

STEPHEN G. BOYDEN
DIRECTOR

cc: Bob Lopez, BLM, Salt Lake Main Office
Ed Ginoves, BLM, Cedar City Field Office
Neil Bradshaw



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Cedar City Field Office

176 East DL Sargent Drive

Cedar City, UT 84720

Telephone (435) 586-2401

FAX (435) 865-3058

In Reply Refer To:

UT-042

3600: UTU-80508

Certified Mail #7002 0860 0007 1304 6549

Return Receipt Requested

September 3, 2003

Mr. Neil Bradshaw
P.O. Box 87
Milford, Utah 84751

Dear Mr. Bradshaw:

This letter is in regard to certificate of deposit 326880 in the amount of \$5,000.00, deposited in Zions First National Bank account number 002-938064-09. The certificate was accepted by the School and Institutional Trust Lands Administration (SITLA) from yourself, d.b.a. Bradshaw Pumice and Perlite, in lieu of a surety bond to cover mining exploration and development on volcanic materials leases ML-40197, 40198, and 41353. The leases encompassed Lot 1 of section 2, T. 28 S., R. 9 W., the W $\frac{1}{2}$ SW $\frac{1}{4}$ and the W $\frac{1}{2}$ NW $\frac{1}{4}$ of section 36, T. 27 S., R. 9 W., SLB&M, Beaver County, Utah.

ML-40197, ML-40198, and ML-41353 were cancelled in 1996 for failure to pay annual rentals. At the time of lease cancellation, un-reclaimed surface disturbances remained on the leased lands. Pursuant to the West Desert Land Exchange Act of 2000 (Public Law 106-301, January 24, 2001), the lands encompassing the former leases were transferred to the Department of the Interior, Bureau of Land Management (BLM). At the time of the land exchange the disposition of the certificate was still pending and so the BLM became the beneficiary of the certificate in August, 2002.

I have reviewed the file material pertinent to these leases that was forwarded to this office from SITLA, and have come to the conclusion that the bond monies were required by SITLA to secure reclamation of old disturbances on the leased lands, attributable to Bradshaw Pumice and Perlite activity on the leases.

File Copy

An inspection of the leased lands made by Ed Ginouves of my staff on April 10, 2003 revealed that all of the lease disturbances fall within Lot 1 of section 2 (the ML-40197 lease area). Because of the advanced state of natural re-vegetation within most of these old disturbed areas, it was Mr. Ginouves' recommendation that most of these disturbed areas not be re-disturbed. Reclamation measures that he did recommend prior to bond release, and with which I concur are as follows:

1. The section of access road that leads from the former stockpile area adjacent to the vacant cabin to the eastern boundary of Lot 1 (being ~1000' in length) will need to be deeply pocked or ripped along its entire length and blocked at its beginning. The reclaimed road section should then be broadcast seeded with a seed mixture specified by the BLM.
2. The vacant cabin, out-house, junk vehicles and other junk must be removed from the site.

I am setting a deadline of October 30, 2003 to accomplish the necessary work. If the work is not complete, or substantially complete by this date, I will initiate procedures for bond forfeiture.

Please direct any questions regarding the work necessary to secure bond release to Mr. Ginouves of my staff. Mr. Ginouves can be reached at the letterhead address and at 435-865-3040.

Sincerely,



Craig Zufelt
Acting Associate Field Office Manager

cc: Tom Munson, DOGM



State of Utah

School and Institutional
TRUST LANDS ADMINISTRATION

S/001/033

Michael O. Leavitt
Governor

Stephen G. Boyden
Director

675 East 500 South, Suite 500
Salt Lake City, Utah 84102-2818
801-538-5100
801-355-0922 (Fax)
<http://www.trustlands.com>

August 13, 2002

Zions First National Bank
Headquarters Office
P.O. Box 30709
Salt Lake City, Utah 84130-0709

RECEIVED

MAY 14 2004

DIV OF OIL GAS & MINING

Attn: Samantha Heberling, New Accounts

Re: Release and Beneficiary Transfer of Certificate of Deposit C.D. # 326880

Dear Ms. Heberling:

Approximately one month ago I discussed with you the beneficiary transfer under the above referenced certificate of deposit. I have at last received all the appropriate approvals and signatures for this transfer. Enclosed is a letter, signed by the Director of the School and Institutional Trust Lands Administration, which outlines the necessity for the release and transfer as well as approving the release and transfer by our agency. Also enclosed is a new signature card with the signature of the new beneficiary. The card is signed by Mr. Robert Lopez the Chief, Minerals Adjudication Branch of the Salt Lake Office of the Bureau of Land Management. If you have any questions he can be contacted at 539-4103.

Thank you for your help.

Sincerely

William M. Stokes
Minerals Resource Specialist

enclosures